

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5812-02
Bill No.: HB 2229
Subject: Lobbying; Ethics
Type: Original
Date: February 23, 2016

Bill Summary: This proposal prohibits the use of public funds for lobbying purposes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight assumes this proposal creates the "Fair Influence in Government Act." Any executive, quasi-executive, judicial, or quasi-judicial department or state agency must not use any public resources to pay the costs of employing or contracting for the services of any individual who lobbies on behalf of the executive, quasi-executive, judicial, quasi-judicial department or state agency in an attempt to influence the passage or defeat of any legislative measure. A violation must result in a fine of not less than \$1,000 but not more than \$5,000. Any individual who accepts public funds as compensation for lobbying in violation of this section may be prohibited from registering as a legislative lobbyist for a period not to exceed two years.

In response to similar legislation filed last year (HB 659), officials at the **Office of Administration's Division of Budget and Planning** assumed this legislation prohibits the use of public funds for lobbying purposes and establishes a fine of between \$1,000 and \$5,000 for violations of the prohibition. Collection of this fine could increase state revenues by an unknown amount.

In response to similar legislation filed last year (HB 659), officials at the **Office of the Attorney General** assumed any potential costs arising from this proposal can be absorbed with existing resources.

In response to similar legislation filed last year (HB 659), officials at the **Missouri Ethics Commission** assumed if the commission identifies significant violations during the process established in Section 105.955.12 (2), (3), RSMo of complaints received increase significantly, an Investigator would be required to provide the proper oversight.

In response to similar legislation filed last year (HB 659), officials at the **Department of Conservation** assumed an unknown fiscal impact.

In response to similar legislation filed last year (HB 659), officials at the **Office of the Governor**, the **Department of Natural Resources**, the **Missouri Senate**, the **Office of State**

ASSUMPTION (continued)

Courts Administrator, the Office of Administration, the Department of Higher Education, the Department of Labor and Industrial Relations, the Department of Public Safety, the Department of Corrections, the Department of Mental Health, the Joint Committee on Administrative Rules, the Department of Public Safety, the Department of Insurance, Financial Institutions, and Professional Registration, the Department of Economic Development, the Office of the Lieutenant Governor, the Office of the State Treasurer, the House of Representatives, the Department of Health and Senior Services, the Department of Social Services, the Department of Agriculture, the Department of Revenue, the Department of Elementary and Secondary Education, the Office of the Secretary of State, the Office of Prosecution Services, the Office of the State Auditor and the Office of the Missouri State Public Defender each assumed no fiscal impact from this proposal to their respective organizations.

Oversight assumes that due to the severity of the penalty for violation of this proposal that agencies and political subdivisions will comply with this proposal's provisions and no penalties would be assessed.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

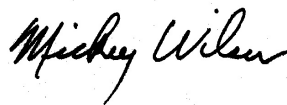
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration's Division of Budget and Planning
Office of the Attorney General
Missouri Ethics Commission
Department of Conservation
Office of the Governor
Department of Natural Resources
Missouri Senate
Office of State Courts Administrator
Office of Administration
Department of Higher Education
Department of Labor and Industrial Relations
Department of Public Safety
Department of Corrections
Department of Mental Health
Joint Committee on Administrative Rules
Department of Public Safety
Department of Insurance, Financial Institutions and Professional Registration
Department of Economic Development
Office of the Lieutenant Governor
Office of the State Treasurer
House of Representatives
Department of Health and Senior Services
Department of Social Services
Department of Agriculture
Department of Revenue
Department of Elementary and Secondary Education
Office of the Secretary of State
Office of Prosecution Services
Office of the State Auditor
Office of the Missouri State Public Defender



Mickey Wilson, CPA

Ross Strobe

L.R. No. 5812-02
Bill No. HB 2229
Page 6 of 6
February 23, 2016

Director
February 23, 2016

Assistant Director
February 23, 2016